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Annual Report on Oversight Activities for 2015

In 2015, the Senate Committee on Veterans Affairs (Committee) engaged in the following oversight activities:

County Veterans Service Officers

On February 24, 2015, the Committee conducted an oversight hearing on the workload of the state's county veterans service officers (CVSOs), particularly in response to the evolving demographics of California's veteran population – including the needs of minority, female, and incarcerated veterans. The Committee received testimony from:

- Individual CVSOs from the counties of Butte, Los Angeles, Marin, San Joaquin, San Luis Obispo, and Solano.
- California Association of County Veterans Service Officers (CACVSO).
- Former Deputy Secretary, California Department of Veterans Affairs.
- Individual veterans on the clients' experience with services provided by CVSOs.

Background: CVSOs are trained, accredited professionals, who legally represent veterans in the federal claims process, and also help connect veterans with state- and locally-provided benefits. Fifty-six of California's 58 counties have CVSOs. While CVSOs are independent local agencies, funding is derived from a combination of local and state resources. The Legislature appropriates state subvention funding to CalVet, which then allocates the moneys to individual CVSO offices.

Veteran Treatment Courts

On March 3, 2015, the Committee conducted an oversight hearing on the state's veteran treatment courts (VTCs), reviewing recidivism rates, as compared to other collaborative courts, and examining evolving best practices. The Committee received testimony from:

- Presiding judges from VTCs established in the counties of Orange and Sacramento.
- Representatives who work within a VTC multidisciplinary team (prosecutors, public defenders, probation officers, federal VA justice specialists, volunteer mentors, etc.)

- Representative from the California Veterans Legal Task Force –a 501(c)3 non-profit corporation which assists counties in establishing and sustaining VTCs.
- Veterans who are current or former participants in a county VTC program.

Background: California law authorizes counties to establish collaborative justice courts (also known as problem-solving courts), which combine judicial supervision with rehabilitation services that are rigorously monitored and focused on recovery to reduce recidivism and improve offender outcomes. Examples of collaborative justice courts are community courts, domestic violence courts, drug courts, DUI courts, elder abuse courts, homeless courts, mental health courts, reentry courts, and VTCs. The VTC is a hybrid drug and mental health court that uses the drug court model. VTCs offer veterans of the United States Armed Forces a comprehensive, treatment-based alternative to incarceration for non-violent criminal offenses.

Department of Veterans Affairs (CalVet)

On May 12, 2015, the Committee conducted an oversight hearing on CalVet, first focusing broadly on the department's overall strategic plan and then specifically examining its marketing and outreach approaches. The Committee received the following testimony from the Secretary of Veterans Affairs and the deputy secretaries who manage CalVet's major program divisions:

- The strategic planning process.
- CalVet Home Loan program.
- State Veterans Homes.
- State Veterans Cemeteries.
- Veterans Services Division – claims representation, higher education, the Disabled Veterans Business Enterprise program, the unique needs of minority and women veterans, etc.

The Committee also received a presentation from a graduate student from the Haas School of Business, UC Berkeley. The presentation included a market analysis of California's veteran community, a review of current and emerging CalVet practices, and a proposed marketing strategy for the department. CalVet representatives participated in the discussion.

In addition to the above hearings, the Committee also engaged in follow-up oversight work continued from previous years, including:

California Mexican American Veterans Memorial (MAVM)

Background: Construction of this memorial has been delayed for years. The Committee conducted a public oversight hearing on February 27, 2013, on the history of delays. In April/May 2013, Committee leadership followed up the hearing by meeting with stakeholder groups and representatives of the administering state departments (CalVet, General Services, etc.).

2015 Oversight Activities: On February 3, 2015, incoming Chairman Nielsen requested by letter that new Vice-Chairman Hueso lead a reassessment of the project's status in support of the administering departments' proposed timeline for the project's Phase I groundbreaking. On April 22, 2015, Senator Hueso responded in writing with his findings.

California Military Department (CMD)

Background: In early 2012, the Military Department became the target of numerous public allegations of (1) failing to address serious personnel grievances involving racial/sexual harassment and discrimination by National Guard and state active duty (SAD) personnel; and (2) having inadequate policies and procedures that address harassment, discrimination and sexual assault.

On March 20, 2013, the Committee conducted a public oversight hearing to help guarantee the previous Senate President pro Tempore's demands that the CMD (1) address and document the individual grievance cases, (2) revise departmental policies and procedures in the allegations, and (3) take other actions to radically improve the Department's organizational culture. The Committee published its findings, conclusions and recommendations in a report (3/29/2016) to the President pro Tempore. The report included a recommendation that the Committee request an update report from the CMD to document continued progress.

2015 Oversight Activities: On February 3, 2015, the Committee requested an update report from the CMD addressing the following topics:

- Progress in resolving grievances presented by individual CMD employees.
- Statistical profile of the types (racial/sexual harassment and discrimination) and numbers of such grievances within the CMD.
- Statistical profile of the types (restricted/unrestricted) and numbers of sexual assault cases within the CMD.
- Staffing and other resourcing for the CMD's sexual assault prevention and response (SAPR) program.
- Estimated impact from the enactment of Senate Bill 1422 (Padilla, 2014).
- Qualitative evaluation of the CMD's organizational culture and employee perception of the department and its components.
- Size, utilization trends, and effectiveness of the state active duty force (under the state-funded SAD program).

On April 15, 2015, the Adjutant General responded with a report that was responsive to the Committee's letter.

Disabled Veterans Business Enterprise (DVBE) Program

Background: In 1989, the Legislature enacted the DVBE program to address the special needs of disabled veterans seeking rehabilitation and training through private-sector entrepreneurship. The program allows certified DVBE businesses to receive a preference when competing for contracts with state agencies and departments. In 2014, the Committee leadership requested an audit of the program, which resulted in State Auditor's Report 2013-115 (Feb 2014). That audit determined that (1) the failure to report at the "dollars expended" metric and (2) the mixing of "dollars awarded" and "dollars expended" has created an informational morass that leaves program analysts unable to determine if the DVBE program is actually meeting the statutory goals clearly defined by the Legislature. It also leaves analysts unable to determine the causes for two key audit findings that generate concern:

- The data in the State Contract and Procurement Registration System indicates that only a relatively small subset of DVBE firms enjoy the major part of the State's business – during fiscal year 2012-13, 83 percent of the DVBE contract award amounts went to only 30 DVBE firms.
- The largest deficiency in program reporting concerns DVBE that subcontract to non-DVBE firms. (According to General Services' annual report for fiscal year 2011-12, DVBE subcontractors accounted for nearly 41 percent – or \$151.5 million – of the State's total reported DVBE participation of \$373.9 million.)

On March 11, 2014, the Committee conducted an oversight hearing to review the audit findings and examine the program in that light.

2015 Oversight Activities: On February 3, 2015, the Committee's ongoing oversight activities directly led Chairman Nielsen to introduce SB 159, which would clarify the Legislature's original intent regarding DVBE reporting. On March 13, 2015, the Chair requested a Legislative Counsel opinion examining the apparent conflict between the statutes and regulations that govern reporting. The Committee received the opinion on June 1, 2015. By the end of 2015, SB 159 had passed the Senate and was pending hearing in its second Assembly policy committee.